

## Message Text

UNCLASSIFIED

PAGE 01 USUN N 03841 01 OF 02 180439Z  
ACTION IO-14

INFO OCT-01 AF-10 ARA-14 EA-12 EUR-12 NEA-10 ISO-00  
CIAE-00 DODE-00 PM-05 H-02 INR-07 L-03 NSAE-00  
NSC-05 PA-02 PRS-01 SP-02 SS-15 USIA-15 TRSE-00  
OMB-01 EB-08 COME-00 AID-05 /144 W  
-----073541 180502Z /10

R 172249Z OCT 77  
FM USMISSION USUN NEW YORK  
TO SECSTATE WASHDC 0000  
INFO AMEMBASSY BRUSSELS  
USMISSION GENEVA  
AMEMBASSY PARIS  
AMEMBASSY STOCKHOLM

UNCLAS SECTION 1 OF 2 USUN 3841

USEEC

USOECD

E.O. 11652: N/A  
TAGS: EGEN, UNGA, ECOSOC  
SUBJECT: 32ND UNGA-SECOND COMMITTEE-OCTOBER 12, 1977

1. SUMMARY: SECOND COMMITTEE ON WEDNESDAY, OCTOBER 12, HEARD IMPORTANT REMARKS BY MINISTER FOR INTERNATIONAL DEVELOPMENT COOPERATION OF SWEDEN, HE TOOK THE THE OCCASION TO ANNOUNCE SWEDEN'S INTENTION TO CANCEL 200 MILLION DOLLARS' WORTH OF ODA DEBTS OWED TO IT BY POOREST COUNTRIES AND URGED OTHER COUNTRIES TO DO LIKEWISE. HE REITERATED SWEDEN'S POSITION THAT AID TO THE POOREST COUNTRIES SHOULD TAKE THE FORM OF GRANTS, CALLED FOR TRADE LIBERALIZATION AND GENERALLY URGED SPECIFIC ECONOMIC ACTION WHICH SHOULD BE TAKEN BY INDUSTRIALIZED COUNTRIES, INCLUDING EASTERN EUROPEANSE, IN THE INTEREST OF THE POOREST COUNTRIES OF THE WORLD. THE SPEECH WAS ROUNDLY PRAISED BY THE G-77.  
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 USUN N 03841 01 OF 02 180439Z

ADDITIONAL SPEAKERS WERE ITALY, IRAN, FRANCE, ECUADOR, ROMANIA, TUNISIA, AND YEMEN. END SUMMARY.

2. SWEDISH MINISTER OLA ULLSTEN'S SPEECH WAS THE STRONG-EST STATEMENT BY AN INDUSTRIALIZED COUNTRY ON BEHALF OF THE POOR COUNTRIES WHICH THE SECOND COMMITTEE HAS HEARD. ULLSTEN AVOWED THAT "THE WORLD IS DELIBERATELY ORGAANIZED

BY AND FOR THOSE WHO FIRST GAINED ECONOMIC POWER--AND NOW ARE RELUCTANT TO SHARE IT WITH OTHERS," AND NOTED THAT CHANGE IN THE INTERNATIONAL ECONOMIC SYSTEM INVOLVED CHANGES IN THINKING OF INDIVIDUALS AS WELL AS GOVERNMENTS. HE CALLED PROTECTIONIST TRADE POLICIES COUNTERPRODUCTIVE, AND SUGGESTED THAT THE CURRENT RECESSION IS AN OPPORTUNITY FOR A MASSIVE INCREASE OF CAPITAL FLOWS INTO THE DEVELOPING COUNTRIES IN ORDER TO GENERATE AN INCREASE IN THE DEMAND FOR GOODS AND SERVICES FROM THE INDUSTRIALIZED COUNTRIES. HE CHASTIZED INDUSTRIALIZED COUNTRIES FOR, ON THE WHOLE, FAILING TO REEACH UN AID TARGET OF 0.7 PERCENT OF GNP AND DIRECTED SPECIFIC COMPLAINTS AGAINST PLANNED ECONOMY STATES OF EASTERN EUROPE WHO "HAVE LAGGED FAR BEHIND THE PERFORMANCE OF OECD COUNTRIES." HE NOTED THAT THEIR PERFORMANCE IS DISMAYING AND "WOULD DESERVE A DIALOGUE OF ITS OWN WITH THE THIRD WORLD. HE PRAISED CIEC DECISIONS ON AID INCREASES AND ADDED THAT "WE TAKE HEART FROM THE RECENT SIGNALS BY SOME OF THE LARGEST DONOR COUNTRIES, WHICH SEEM TO INDICATE A NEW DETERMINATION IN THIS RESPECT." ON THE OTHER HAND, HE NOTED THAT "IDA REPLENISHMENT WAS JEOPARDIZED BECAUSE OF DELAYS IN THE RATIFICATION PROCEDURE OF ITS LARGEST DONOR COUNTRY" AND CALLED STRINGS ON FUNDS CONTRIBUTED TO IFI'S UNACCEPTABLE. HE LAID MAJOR EMPHASIS ON THE PROBLEM OF DEBT, ASKING THAT RESOURCES OF IMF AND THE WORLD BANK BE INCREASED. HE HOPED THAT THE FORTHCOMING UNCTAD MINISTERIAL MEETING COULD MAKE USE OF BOTH US/EEC AND DEVELOPING COUNTRY PROPOSALS ON DEBT PUT FORTH AT CIEC, AND COME UP WITH A "MAJOR EFFORT WITH REGARD TO THE OFFICIAL DEVELOPMENT DEBTS OF THE POOREST COUNTRIES." HE ANNOUNCED SWEDISH GOVERNMENT INTENTION TO CANCEL ODA DEBTS OF POOREST COUNTRIES (SOME 200 MILLION DOLLARS) AND URGED OTHERS TO DO LIKEWISE. HE CALLED FOR TRADE LIBERALIZATION AND ALSO "TRADE PROMOTION" FOR PRODUCTS OF DEVELOPING COUNTRIES, A "WELL-BALANCED, PRACTICAL CODE OF CONDUCT" FOR TRANSNATIONAL CORPORATIONS, ACCELERATED UNCTAD WORK ON A CODE ON CONDUCT FOR THE TRANSFER OF TECHNOLOGY, AND INTERNATIONAL ECONOMIC COOPERATION ON ENERGY WITHIN THE UN. HE STATED THAT THE COMMON FUND SHOULD FINANCE "OTHER RELEVANT MEASURES SUCH AS RESEARCH AND DEVELOPMENT, TRADE PROMOTION, AND DIVERSIFICATION," AND THAT SWEDEN WOULD CONTRIBUTE ADEQUATE FUNDS FOR THESE PURPOSES. HE FAVORED COMPENSATORY FINANCING ON SOFT TERMS. HE SAID IN CLOSING THAT DEVELOPMENT PLANNING MUST ENABLE THE ABSOLUTE POOR TO "EARN AN ADEQUATE INCOME TO PURCHASE SUCH ESSENTIAL GOODS AS SHELTER AND FOOD WITH SUFFICIENT NUTRITIONAL VALUE." HEALTH CARE, EDUCATION, WATER SUPPLY, AND SIMILAR ESSENTIAL PUBLIC NEEDS SHOULD BE GEARED TO THE NEEDS OF THE POOREST IN SOCIETY. HOWEVER, HE ALSO INSISTED THAT DEVELOPMENT OF INFRASTRUCTURE, INDUSTRY, AND COMMUNICATIONS SHOULD BE INCLUDED IN ANY DEFINITION OF

UNCLASSIFIED

PAGE 03 USUN N 03841 01 OF 02 180439Z

SALS ON DEBT PUT FORTH AT CIEC, AND COME UP WITH A "MAJOR EFFORT WITH REGARD TO THE OFFICIAL DEVELOPMENT DEBTS OF THE POOREST COUNTRIES." HE ANNOUNCED SWEDISH GOVERNMENT INTENTION TO CANCEL ODA DEBTS OF POOREST COUNTRIES (SOME 200 MILLION DOLLARS) AND URGED OTHERS TO DO LIKEWISE. HE CALLED FOR TRADE LIBERALIZATION AND ALSO "TRADE PROMOTION" FOR PRODUCTS OF DEVELOPING COUNTRIES, A "WELL-BALANCED, PRACTICAL CODE OF CONDUCT" FOR TRANSNATIONAL CORPORATIONS, ACCELERATED UNCTAD WORK ON A CODE ON CONDUCT FOR THE TRANSFER OF TECHNOLOGY, AND INTERNATIONAL ECONOMIC COOPERATION ON ENERGY WITHIN THE UN. HE STATED THAT THE COMMON FUND SHOULD FINANCE "OTHER RELEVANT MEASURES SUCH AS RESEARCH AND DEVELOPMENT, TRADE PROMOTION, AND DIVERSIFICATION," AND THAT SWEDEN WOULD CONTRIBUTE ADEQUATE FUNDS FOR THESE PURPOSES. HE FAVORED COMPENSATORY FINANCING ON SOFT TERMS. HE SAID IN CLOSING THAT DEVELOPMENT PLANNING MUST ENABLE THE ABSOLUTE POOR TO "EARN AN ADEQUATE INCOME TO PURCHASE SUCH ESSENTIAL GOODS AS SHELTER AND FOOD WITH SUFFICIENT NUTRITIONAL VALUE." HEALTH CARE, EDUCATION, WATER SUPPLY, AND SIMILAR ESSENTIAL PUBLIC NEEDS SHOULD BE GEARED TO THE NEEDS OF THE POOREST IN SOCIETY. HOWEVER, HE ALSO INSISTED THAT DEVELOPMENT OF INFRASTRUCTURE, INDUSTRY, AND COMMUNICATIONS SHOULD BE INCLUDED IN ANY DEFINITION OF

THE NEEDS OF THE POOREST PEOPLE. THIS DEFINITION MUST IN-  
CLUDE RESPECT FOR HUMAN RIGHTS, BASIC HUMAN NEEDS, AND DE-  
VELOPMENT IN INFRASTRUCTURE, AND FINALLY MUST BE ACCEPTED BY  
DONOR COUNTRIES AS WELL AS COUNTRIES RECEIVING AND USING AID  
FOR VARIOUS DEVELOPMENT PROGRAMS.

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 USUN N 03841 02 OF 02 180459Z  
ACTION IO-14

INFO OCT-01 AF-10 ARA-14 EA-12 EUR-12 NEA-10 ISO-00  
CIAE-00 DODE-00 PM-05 H-02 INR-07 L-03 NSAE-00  
NSC-05 PA-02 PRS-01 SP-02 SS-15 USIA-15 TRSE-00  
EB-08 OMB-01 COME-00 AID-05 /144 W  
-----073680 180501Z /10

R 172249Z OCT 77  
FM USMISSION USUN NEW YORK  
TO SECSTATE WASHDC 6283  
INFO AMEMBASSY BRUSSELS  
USMISSION GENEVA  
AMEMBASSY PARIS  
AMEMBASSY STOCKHOLM

UNCLAS SECTION 2 OF 2 USUN 3841

USEEC

USOECD

3. ITALIAN AMBASSADOR VINCI STRESSED CIEC'S CONTRIBUTION  
TO A COMMON WILLINGNESS TO CONTINUE AND COOPERATE IN ESTAB-  
LISHING THE NEW INTERNATIONAL ECONOMIC ORDER. HE SUPPORTED  
AID TO THE LEAST DEVELOPED COUNTRIES AGRICULTURAL PROGRAM IN PARTICULAR,  
AND URGED GREATER PARTICIPATION IN THE DEVELOPMENT PROCESS WITHIN COUN-  
TRIES. HE ATTACKED PROTECTIONISM, AND HE NOTED THAT THE SYG'S  
PROPOSAL FOR ANY ENERGY INSTITUTE HAD ITALIAN SUPPORT BECAUSE  
THE UN IS THE "MOST SUITABLE AND REPRESENTATIVE FORUM" FOR  
STUDYING ENERGY. ITALY WILL SUBMIT A PROPOSAL THAT HUMAN  
SETTLEMENTS BE PLACED UNDER THE JURISDICTION OF THE UN ENVIRON-  
MENT PROGRAMME AND THAT A SMALL SECRETARIAT BE ESTABLISHED  
IN NAIROBI AS A PARALLEL TO THAT OF UNEP. HE ENDED BY IMPLIED  
CRITICISM OF THE PROPOSAL TO CREATE A DIRECTOR GENERAL FOR

DEVELOPMENT POSITION, SAYING THAT "IT WOULD BE PARTICULARLY  
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 USUN N 03841 02 OF 02 180459Z

UNFORTUNATE IF SOLUTIONS WERE TO BE ADOPTED WHICH MIGHT JEOPARDIZE  
THE UNIT OF ACTION OF THE ORGANIZATION."

4. IRANIAN AMBASSADOR LAVISHLY COMPLIMENTED THE SWEDISH  
SPEECH. HE SPOKE TO USUAL DEVELOPING COUNTRY THEMES, EX-  
PRESSING DISAPPOINTMENT WITH REGARD TO THIRD WORLD BALANCE-  
OF-PAYMENT PROBLEMS, PRICE FLUCTUATIONS, PROTECTIONISM, LOW  
LEVEL OF AID. HE POINTED OUT, THOUGH, THAT OPECE SPECIAL  
FUND WAS RECENTLY INCREASED AND THAT OIL PRODUCERS WERE NOT  
GUILTY OF SHIRKING THEIR RESPONSIBILITIES TO POOR COUNTRIES.  
IN CONCLUDING HE SAID THAT AT THE RESUMED 31ST GA THE DEVELO-  
PED COUNTRIES HAD AGAIN EXPRESSED WILLINGNESS TO CONTINUE  
NORTH-SOUTH DIALOGUE AND THAT POLITICAL WILL TO ESTABLISH  
NIEO IS ANXIOUSLY AWAITED.

5. FRENCH REMARKS CONCENTRATED ON THE ECONOMIC INTERDEPEN-  
DENCE OF THE DEVELOPED AND DEVELOPING COUNTRIES. HE HOPED  
THAT COUNTRIES WITH FAVORABLE BALANCES OF PAYMENTS WOULD IN-  
CREASE AID LEVELS AND THAT PROTECTIONIST MEASURES COULD BE  
ABOIED. HE SAID THAT IMPROVEMENT IN THE ECONOMIC HEALTH OF  
DEVELOPING COUNTRIES COULD ONLY SERVE TO STRENGTHEN GLOBAL  
ECONOMIC RECOVERY. HE SAID THAT FRANCE WOULD COMMIT ITSELF  
TO INCREASING ITS PRESENT LEVEL OF AID. HE ENDED BY LENDING  
SUPPORT TO BASIC HUMAN NEEDS CONCEPT AND TO CONCENTRATING EF-  
FORTS ON POOREST COUNTRIES. NOTABLY, THE REMARKS DID NOT  
REFER EITHER DIRECTLY OR INDIRECTLY TO THE UN RESTRUCTURING  
EXERCISE ABOUT WHICH THE FRENCH HAVE EXPRESSED SUCH STRONG  
FEELINGS ELSEWHERE.

6. ECUADOR REPRESENTATIVE EXPRESSED A DESIRE TO JOIN  
EFFORTS WITH THE DEVELOPED WORLD IN ORDER TO ESTABLISH A  
NEW WORLD ORDER. PARIS DISCUSSIONS SHOULD APPROPRIATELY  
BE CONTINUED WITHIN THE UN FORUM. HE SAID THAT HIS  
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 USUN N 03841 02 OF 02 180459Z

COUNTRY"ACKNOWLEDGES THE INITIAL STEPS TAKEN BY THE UNITED  
STATES" WITH REGARD TO BUFFER STOCKS. HE ALSO COMPLAINED  
THAT GIVING AID PARTICULARLY TO POOREST COUNTRIES CONSTIT-  
TUED "NEO-COLONIALISM."

7. ROMANIAN REPRESENTATIVE CALLED ESTABLISHMENT OF NIEO  
COMPLEX AND INTRICATE AND THAT IT, THEREFORE, SHOULD BE CON-  
SIDERED A PROCESS. HOWEVER, THE NORTH/SOUTH DIALOGUE IS

PRESENTLY STALEMATED, AND UN STRUCTURE SHOULD BE STRENGTHENED  
SO IT CAN SERVE MORE EFFECTIVELY AS NEGOTIATING FORUM IN  
WHICH TO CONTINUE DIALOGUE.

8. TUSISIAN REPRESENTATIVE CITED NEED TO DISTINGUISH BE-  
TWEEN POOREST COUNTRIES AND MIDDLE-INCOME COUNTRIES WITHIN  
THE DEVELOPING WORLD. UP TO THE PRESENT, AID HAS BEEN AIMED  
AT COMPENSATION RATHER THAN REAL CHANGE. PARIS HAD NOT HELPED  
THE WORLD ECOMOMIC SITUATION CONSIDERABLY, BUT TUNISIA HOPED  
THAT SECOND COMMITTEE WOULD CONTINUE WORK BEGUM AT CIEC.

9. REPRESENTATIVE OF YEMEN EXPRESSED DISAPPOINTMENT WITH  
RESULTS OF CIEC, ADDING THAT CIEC HAD POINTED OUT THAT ESTAB-  
LISHMENT OF NIEO WAS TO BE A LONG AND COMPLICATED PROCESS.  
HE EXPRESSED THE VIEW THAT THE UN IS THE ONLY SUITABLE AND  
REPRESENTATIVE FORUM IN WHICH TO CONTINUE THE NORTH/SOUTH  
DIALOGUE. HE GAVE CONSIDERABLE PLAY TO THE IDEA THAT  
POOREST COUNTIRES SHOULD RECEIVE DISPROPORTIONATE AMOUNTS  
OF AID.  
YOUNG

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** LESS DEVELOPED COUNTRIES, COMMITTEE MEETINGS, MEETING PROCEEDINGS, SPEECHES, DEBT REPAYMENTS, GRANTS, INDUSTRIALIZED NATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 17-Oct-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01-Jan-1960 12:00:00 am  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977USUNN03841  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770381-1064  
**Format:** TEL  
**From:** USUN NEW YORK USEEC  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t19771050/aaaabqpt.tel  
**Line Count:** 244  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 2e30ac2d-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION IO  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 5  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 21-Dec-2004 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 887216  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** 32ND UNGA-SECOND COMMITTEE-OCTOBER 12, 1977  
**TAGS:** EGEN, XX, SW, UNGA, ECOSOC  
**To:** STATE  
**Type:** TE  
**vdkgvkey:** odb://SAS/SAS.dbo.SAS\_Docs/2e30ac2d-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009